<u>Drawings</u>:

Cancel the sheets containing Figures 1 and 1A and substitute therefor the sheets enclosed herewith.

REMARKS:

Drawings

The drawings have been amended to properly illustrate seals 32 and 33.

Specification

The specification has been amended to address the errors noted therein by the examiner.

Claims Objections

The claims have been amended to address the objections raised by the examiner.

Claim 26, 28 and 29 have been amended as suggested by the Examiner.

Claim 27 has been objected as being a substantial duplicate of claim 22.

Claim Rejections – 35 USC 102 and 103

Claims 1 to 10, 14 to 18, and 20 to 33 were rejected under 35 USC 102(b) as being anticipated by Walker, US Patent no. 2,287,714. Since a rejection under 35 USC 102(b) for anticipation requires that the single reference teach each and every element of the rejected claim (Atlas Powder v. E.I. DuPont, 750 F.2d 1569 (224 USPQ 409)(Fed. Cir. 1984)), applicants respectfully traverse this rejection.

In particular, claim 1 has been amended to define a drill bit including a center cutter face with cutters thereon and a fluid jetting port opening through the center cutter face between the cutters. Walker does not teach or suggest such a drill bit including any fluid jetting port position or operation as defined in claim 1. Any fluid ports taught by Walker do not open through the center cutter face between the cutters and are not oriented to clean and lubricate the center cutter face. Instead they are oriented to pass fluid to outer cutters. As such, the Examiner is requested to withdraw the rejection of claim 1 and its dependent claims.

Claim 18 defines a drill bit wherein, when its arm is in the expanded position, the outer cutter face and the center cutter face are <u>substantially continuous and co-planar</u>. Walker neither

teaches nor suggests such a drill bit. Instead, Walker's cutting faces include roller-type cutters that are neither continuous or nor co-planar, as evidenced by the non-continuous and non-planar cutting result shown clearly in Walker's Figures 1 and 2. As such, the Examiner is requested to withdraw the rejection of claim 18 and its dependent claims.

Claims 11 to 13 and 19 were rejected under 35 USC 103(a) as being unpatentable over Walker in view of Tullock, US 2003/0183424. However, Tullock adds nothing to Walker in regards to the limitations of claims 1 and 18 that would render these claims unpatentable. Thus, reconsideration is respectfully requested.

New Claims

Claim 34 has been added to define an additional aspect of the present invention, wherein an arm is mounted in a slot set back from the lower end of the housing. Neither Walker nor Tullock teach or suggest such an expandable bit.

Applicant has addressed all of the objections and rejections raised by the Examiner. Favorable reconsideration is respectfully requested.

Respectfully)submitted,

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Date: 04 15/01